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# Summer Food Service Program for Children.

United States  
Department of  
Agriculture

MS

Food and  
Nutrition  
Service

FNS-178

Food Service  
Management  
Company  
Handbook



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Revised February 1980

Rules for acceptance and participation in this program are the same for all, without regard to race, color, or national origin.

# Introduction Program Background

## Introduction

The food service management company handbook is a guide for sponsors contracting with a food service management company and food service management companies that participate in the Summer Food Service Program for Children. Although the majority of program sponsors prepare their own meals, a significant number of sponsors contract with a commercial vendor to provide their food service. This handbook is to assist you in providing quality food service in this program.

## Program Background

Program  
Basic

The Summer Food Service Program for Children provides nutritional help to children 18 years of age or younger. These children would otherwise be deprived of the food assistance they receive during the school year under the National School Lunch and Breakfast Programs. Certain people over 18 years of age are also eligible if a State or local educational agency determines that they are mentally or physically handicapped. They must also be participating in a public or private non-profit school program that was established for the mentally or physically handicapped and that serves primarily children 18 years of age or younger.

Summer programs are organized and operated by public and private nonprofit institutions. They are set up to benefit children from areas in which at least one-third of the children are eligible, under that State's family size and income standards, for free or reduced-price school meals.

Summer camps can operate the summer feeding program. Sponsors can qualify under the regulations as camps if they provide:

1. Residential summer programs offering organized activities for enrolled children that include, as part of the program, a regularly scheduled meal service providing up to four meals a day, or

2. Nonresidential summer programs offering regularly scheduled cultural or recreational activities for enrolled children that include, as part of the program, three or four meals served each day. Such sponsors must obtain family size and income data on the enrolled children so they can determine eligibility for free or reduced-price school meals. Only meals served to children that sponsors determine are eligible under the specified criteria may be claimed for reimbursement.

Sponsors for the summer program may include, but are not limited to, agencies of city governments, county and municipal school systems, recreational groups, churches, and social service organizations.



## Program Background

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Administering agencies are required to give priority consideration to public organizations and certain private organizations. If priority organizations are not available to operate the program in specific areas, larger private organizations contracting with food service management companies can be approved for the program.

The summer program is geared to operate primarily during school summer vacation periods. However, this program also provides meal services in situations where schools operate on a continuous school calendar. As in all federally financed programs, discrimination against any child because of race, color, or national origin is prohibited.

### Organizational Structure

The Summer Food Service Program is administered through an agency of the State government or by a Regional Office of the United States Department of Agriculture's (USDA's) Food and Nutrition Service (FNS). The administering agency deals directly with sponsors operating within the agency's geographic domain. A prospective sponsor must demonstrate to the satisfaction of the administering agency that the sponsor has the necessary financial and administrative responsibility to meet program objectives and comply with program regulations. The actual meal service may take place at one or more sites operating under the responsibility of the same sponsor.

Administrative and financial responsibility cannot be delegated below the sponsor level. The quality of meal service, as well as the conduct of site personnel, reflects directly upon the sponsor's performance. Any sponsoring organization that wishes to remain eligible for program participation must be primarily concerned with the quality and quantity of sites, the conduct of site and sponsor personnel, and the quality of the meals it serves. Food service management companies which have contracted or intend to contract with a sponsor to serve meals for the summer program should also realize that they must provide meals that comply with both program regulations and their contract with the sponsor. Program monitors will help the sponsor ensure that the program functions properly at each site. All participating sponsors are subject to audit by USDA's Office of the Inspector General (OIG) and by the United States General Accounting Office (GAO).

This Food Service Management Company Handbook is a guide for both sponsors and food service management companies. Although some material in the handbook may be of more importance to one group than the other, both food service management companies and sponsors should be familiar with all of the information. A successful vending operation depends on both parties fully understanding their mutual responsibilities in the program.

# Selecting a Food Service Management Company

Sponsors or food service management companies should be aware of other summer program handbooks that are available. Other handbooks and their uses are:

Administrative Handbook--Outlines in detail how a sponsor should plan and apply for the summer program. It goes into great detail on the sponsor's responsibilities for training, recordkeeping and monitoring.

Sponsor Meal Preparation Handbook--Provides information to sponsors on the operation of sites where sponsors prepare the meals. It includes important information on meal requirements and menu patterns.

Monitor's Handbook--Outlines specific responsibilities of a monitor for the summer program.

Site Supervisor's Guide--Outlines the responsibilities of a site supervisor and includes recordkeeping and meal service.

The term "food service management companies" includes commercial companies that prepare meals in their own facility, those that prepare meals in the sponsor's facility, and those that use school facilities. Public schools that do not use a food service management company are included in this definition. Excluding them would imply that sponsors could not contract with schools to prepare meals. However, school food service authorities are exempt from the registration and bid requirements.

## Selecting a Company

Generally, meals prepared onsite by the sponsor means better quality, better control, and better acceptance by the children. However, there are several factors that can influence a sponsor to contract for meals with a food service management company. These factors may include limited personnel, a site that is unsuited for meal preparation, or a large number of sites spread over a wide geographical area.

Before inviting food service management companies to bid on a program, sponsors must contact their local school food service authority about the possibility of using school facilities to prepare meals, or of obtaining meals under agreement with a school. Using the facilities of local public or private schools to prepare or obtain meals offers the sponsor several advantages. These schools often prepare large numbers of meals, and already have the facilities, staffing, and system for such a service. And many schools are accustomed to preparing meals that meet USDA requirements if they participate in other Child Nutrition Programs. When exploring a school's capability for



# Registration

meal service, sponsors must consider whether or not an adequate delivery service to sites can be established. This delivery service need not be prohibitive in cost, but it must meet local health and sanitation requirements. Sponsors that can use local school food service facilities must enter into a written agreement with the school. If contracting with a local school is not possible, sponsors may contract with a food service management company to prepare and deliver meals. In fact, a sponsor may employ a food service management company to operate its entire food service. The sponsor remains, however, legally responsible for seeing that the food service operation meets all requirements specified in the agreement they sign with the administering agency.

Only food service management companies that register with the administering agency may be used. A list of registered companies should be obtained from the administering office as soon as possible.

## Registration

Food Service  
Management  
Company  
Registration

Starting with the 1978 summer program, all food service management companies have been required to register with a State as a prerequisite for participation in that State's program. Food service management companies with exclusive contracts for preparing all meals served at a school are exempt from this requirement of Public Law 95-166. This requirement helps to ensure that only qualified food service management companies contract for services under this program.

Application  
Information

Each food service management company must submit an application for registration to the administering agency for each State in which it would like to participate in the program. In accordance with Federal regulations, the application for registration must be submitted by March 15. It must include, at a minimum:

- \* Submission of the company's name and mailing address. The application must also include any other name under which the company marketed its services during the past 2 years and any other names the company currently uses.
- \* Submission of the addresses of any food preparation and distribution facilities that the food service management company desires to have registered in that State. This list must include addresses for the local officials who are responsible for the operation of those facilities.
- \* A certification that those facilities meet applicable State and local health, safety, and sanitation standards.



## Registration

- \* The number of program meals each of those facilities is capable of preparing in a 24-hour period.
- \* Records of company contract terminations, disallowances, and health, safety, and sanitary code violations which occurred during the past 2 years in the State where the application is filed. Violations include both those that are related to prior program participation and those not related to the program.
- \* Disclosure of past and present company owners, directors, and officers, and their relationship in the past 2 years (if any) to any personnel of a sponsor or food service management company that participated in the program.
- \* A statement that the food service management company understands that it will not be paid for meals delivered to nonapproved sites, meals delivered outside the agreed upon delivery time, and those meals not meeting the meal quality standards that are part of the contract between the food service management company and the sponsor.
- \* A certification that the food service management company will operate in accordance with current program regulations.
- \* A copy of a CPA audit report if an audit was performed of the food service management company in the prior year.

### Facility Visit

The State agency will ensure that a representative visits each of the food service management company's preparation facilities before registration approval. This visit provides information that will help the State agency determine if the facilities are acceptable for preparing the meals. If a facility was registered and operated in accordance with program regulations in the previous year a State agency may choose not to visit it.

### Registration Denial

The administering agency will review all applications for registration. The food service management company will be registered only if the State agency determines that the company has the administrative and financial capability to provide meals under the program. Denial of registration will be based upon the administering agency's criteria, which include:

- Submission of false information to the administering agency.
- Noncompliance with bid, contractual, or regulatory requirements in previous years.
- Significant health code violations that remain uncorrected upon reinspection.

# Invitation for Bid and Contract

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- Repeated failure to conform meal deliveries to meal orders.
- Repeated failure to make timely deliveries of meals.
- Delivery of a significant number of meals that did not include the required quantities of all meal components.
- Delivery of unwholesome or spoiled food.
- Failure to maintain adequate records.
- Unsuitability of the food preparation facility.

Applications for registration that are not completed and received by the State agency by the deadline will not be approved for registration. However, State agencies may make exceptions, if lack of registration would deny reasonable access to the program to a significant number of needy children.

Hearing procedures have been established by each administering agency for companies that are denied registration and wish to obtain a review by an official other than the one directly responsible for the original determination. When the administering agency notifies the company that it has been denied registration, the agency will also send them instructions for appealing that decision.

Registration will be revoked if a food service management company does not adhere to proper bidding procedures.

## USDA Records

USDA maintains a record of food service management companies and makes these records available to the State. Therefore, every application for registration will be reviewed, acted upon by the administering agency, and then forwarded to a USDA data bank.

## **Invitation for Bid and Contract**

## Standard Contract

Program regulations mandate that administering agencies require all sponsors under their jurisdiction to use a standard contract for meals provided by a vendor. This document, called the "Invitation for Bid and Contract," serves a dual purpose. It contains all the information a bidder needs to make an offer, and it also tells the bidder how to submit the actual bid.

## Exceptions

Sponsors that are public institutions, sponsors desiring to contract only for the management of the program, school food authorities, and sponsors whose contract with a vendor will

# Bid Procedure

not exceed \$10,000 may use their own form of contract. However, the contract must be submitted to and approved by the administering agency. Schools and universities that have existing year-round contracts with food service management companies to prepare meals will not have to go out on a competitive bid to sponsor a summer program. However, existing contracts will have to be amended to ensure that the contract meets the requirements listed in Section 225.9(f) of the program regulations.

## **Bid Procedure**

### Competitive Bid Requirement

All sponsors that contract for \$10,000 or more must adhere to the competitive bid procedures and procurement standards set by program regulations. The objective is to ensure maximum open and free competition. The standard bid procedure consists of 4 basic steps:

1. Completing the invitation for bid package, which includes selecting a cycle menu.
2. Publicly announcing all invitations for bid at least 14 days prior to the opening of bids, including the time and place of the bid opening.
3. Notifying the State agency at least 14 days before the opening of the bids of the time and place of the bid opening.
4. Publicly opening all bids.

### Invitation for Bid

Once the sponsor has filled in its particular specifications in the standard invitation for bid and contract, the document is referred to as the invitation for bid (IFB). The IFB is the most important step in the process. Sponsors must complete the estimated range of servings, decide on an affordable and attractive menu, and complete the site schedule. Sponsors must supply the IFB to all companies responding to the public announcement.

The sponsor's invitation for bid must include:

1. A menu cycle.
2. Food specifications and meal quality standards.
3. Nonfood items (where such items are essential to the conduct of food service).
4. A copy of the program regulations.

The sponsor's invitation for bid must not:

1. Specify a minimum price.



## Bid Procedure

2. Specify special meal requirements to meet ethnic or religious needs unless such special requirements are necessary to meet the needs of the children to be served.
3. Provide for loans or any other monetary benefit, or term, or condition to be made to sponsors by food service management companies.

The food service management company's bid in response to the IFB must include:

1. A copy of the required health certificate.
2. Proof that the company is registered with the State.

If food service management companies submit a bid over \$100,000, they must submit a bid bond in an amount determined by the sponsor. The bond should be between 5 percent and 10 percent of the value of the contract for which the bid is made. A copy of the bid bond must accompany each bid. The bond must be from one of the companies listed in Department of Treasury Circular 570.

WARNING--It is important that the food service management company respond to the invitation for bid accurately and completely. Food service management companies must bid on all the meals listed in the IFB and must bid on the menu cycles included in the IFB. Food service management companies cannot be considered for award of the contract unless they respond to every requirement requested in the IFB.

The sponsor must fill in the following information in the invitation for bid so bidders will know exactly what the specifications of the bid include:

\* Site Information

The sponsor must include a list of proposed site names, addresses, delivery locations, and times. With this information, a bidder can estimate the cost of delivery and the feasibility of meeting the sponsor's requirements.

\* Menu Cycle

The sponsor must also attach a 10 day menu cycle that lists the types and amounts for food in each meal. Program regulations specify minimum meal pattern requirements, but sponsors may improve upon these minimums to increase the variety and appeal of menus. Sponsors may request approval from the administering agency for variations from the meal requirements when necessary to meet ethnic, religious, economic, or nutritional needs.

Sponsor IFB  
Specifications

## Bid Procedure

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Food service management companies must assemble unitized meals. This means that meals must be individually portioned, but are packaged, delivered, and served as a unit. Milk, which is usually packaged separately, can be delivered and served as a separate meal component, but the milk is still considered part of the meal unit. Other variations of unitized meals can be approved by the administering agency. Specifications should be worded and in such detail that all bidders will have an equal chance to compete for the same menus. The specifications should also indicate under what conditions substitutions may be made by the food service management company if, during the course of the program, certain specified foods are unavailable or become prohibitive in price.

\* Regulations

The sponsor must attach a copy of the program regulations to the IFB and must agree to operate in accordance with the regulations.

\* Meal Range Adjustments

The sponsor may increase or decrease the number of meal orders with prior notice to the food service management company. In the past, actual participation under a given sponsorship has often varied from the estimate which appeared in the bid specifications. The contractor bases his bid on the specifications and expects to be serving a number close to that estimate. A sizable discrepancy between estimated and actual participation can increase or decrease the food service management company's unit production cost. Therefore, the sponsor may estimate a possible range of meals served per day. Food service management companies must submit prices for each range the sponsor lists, remembering that if the sponsor decreases the number of meals served, the cost of the meals may increase. The range is provided to lessen the risk of losses to the food service management companies in these cases.

\* Meal Requirements

As part of the IFB, the sponsor must provide the food service management company with a copy of the meal requirements as outlined in part 225.10 of the program regulations. The sponsor must also provide a copy of the minimum food specifications and model meal quality standards required by part 225.5(r) of the program regulations and provided by the administering agency.

# Bid Procedure

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## Food Service Management Company Bid Requirements

### \* Special Accounts

The administering agency may require sponsors to set up special accounts at financial institutions. Into this special account, the sponsor must deposit any payments received from the State agency for operating costs. Any checks drawn from this account must be authorized by both the food service management company and the sponsor. This is to help ensure that the company receives payment for the eligible meals they provide to the sponsor's program.

There are several specific requirements food service management companies must meet and several things they must include when submitting a bid. These requirements are:

### \* Health Certification and Inspection

Food service management companies must have State or local health certification for the facility(ies) in which they are preparing meals for use in the program. The companies must ensure that all health and sanitation requirements are met at all times. In addition, the companies must have local health authorities or independent agencies periodically inspect the meals they serve to determine bacteria levels. These levels must conform to the standards applied to other food service establishments in the area.

Food service management companies should also be aware that the State agency may send health inspectors to check preparation facilities and meals. This inspection is independent of the one the food service management company provides. The companies must submit health certification as part of the bid.

### \* Records

Food service management companies must maintain records (supported by invoices, receipts, or other evidence) that the sponsor needs to meet program responsibilities. Companies must report to the sponsor at the end of each month, at a minimum. The food service management company must keep the books and records pertaining to the sponsor's food service operation for a period of 3 years from the day the company receives final payment. These records must be available for inspection and audit by representatives of the administering agency, USDA, and the United States General Accounting Office at a reasonable time and place.



# Award of the Contract

## \* Subcontracts

Food service management companies may not subcontract with another company for the total meal, with or without milk, or for the assembly of the meal. The variation between contracted and subcontracted meal prices is an unnecessary expense that does not contribute to program goals. Subcontracting means the sponsor does not have a contract with the company that prepares meals and, therefore, cannot control the quality and supply of the meals.

## \* Meal Requirements

Food service management companies must deliver meals that meet the meal requirements that are outlined in part 226.10 of the regulations. The meals must also meet the minimum food specifications and model meal quality standards required by part 225.5(r) of the regulations. Food service management companies must assemble the meals as individual units with individually portioned servings, with the possible exception of the milk component.

Contract  
Responsibility

It is important for the prospective food service management company to realize that the contract is a private contract between the food service management company and the sponsor. Neither USDA nor the administering agency has any jurisdiction in the reimbursement made to the food service management company. Before contracting for the program, the food service management company needs to assess the sponsor's capability to meet the terms of the contract and reimburse them for all meals properly delivered. If applicable, the company should become familiar with the records of a sponsor in this program or other Federally funded programs.

## **Award of the Contract**

Selection  
Criteria

The sponsor should award the contract at least 2 weeks prior to the start of program operations to allow time for both the food service management company and the sponsor to get ready for program operations. The sponsor must submit to the administering agency copies of all bids the sponsor received and the reason the sponsor chose that particular food service management company.

Sponsors may take many factors into consideration before they award contracts. These include the food service management company's performance in past feeding operations, cost per delivered meal, ability to meet all the specifications in the invitation for bid, ability to increase or decrease meal deliveries within a reasonable time frame, preparation

## Award of the Contract

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facility and its proximity to sites being served, use of refrigerated delivery trucks, and ability to meet local health and sanitation requirements. The sponsor may give special consideration to small and minority-owned companies.

Sponsors should also consider the integrity of the contractor, its financial and technical resources, and its accessibility to other necessary resources. Contracts may be made only with registered, responsible contractors that possess the potential ability to perform successfully under the terms of the proposed contract.

### Acceptance of Bids

All bids totaling \$100,000 or more must be submitted to the administering agency for approval before the sponsors accept the bid. All bids in an amount which exceeds the lowest bid must be submitted to the administering agency for approval before acceptance, with an explanation of why that particular bid was chosen. The invitation for bid that the sponsor accepts will become the contract for program operations between the sponsor and the food service management company. The administering agency will keep copies of all contracts between sponsors and food service management companies.

### Performance Bond

If a food service management company enters into a food service contract with a sponsor for more than \$100,000, a performance bond must be obtained from surety companies listed in the current Department of Treasury Circular 570 in an amount the administering agency determines. This amount must be no less than 10 percent nor more than 25 percent of the value of the contract. The food service management company must furnish a copy of the bond to the sponsor within 10 days of awarding of the contract.

### Award Conference

After awarding the contract and before executing the contract, representatives of the sponsor and the food service management company should meet to discuss the food service program. In this award conference, the representatives should review the cycle menu, food quality specifications, and meal packaging, as well as sanitation requirements.

All sponsor and food service management company representatives should discuss their mutual and individual responsibilities in the food service program. For instance, the food service management company must be familiar with all State and local health requirements, particularly those concerning food preparation and meal delivery. Sponsors must ensure that site personnel are trained in sanitation and food handling practices. Most vended meals are packaged to prevent contamination. Thus, the greatest danger usually results when meals are held too long

## Program Planning and Operation

or are under improper temperature controls. Sponsors should also inform the food service management company of the function of monitors, reviews, and statistical monitoring if applicable in the operation of the program.

### **Program Planning and Operations**

#### Adjustment of Meal Deliveries

One of the most important topics for discussion in the award conference is the adjustment of meal deliveries. Program regulations require sponsors to adjust meal deliveries in accordance with changes in site attendance, so that sponsors serve one meal to each child at each meal service. The standard sponsor/food service management company contract provides for meal order increases or decreases within a maximum period of 48 hours. The sponsor should establish a system for collecting information on attendance changes from its sites, translating these changes into meal order adjustments, and communicating these changes to the food service management company. In turn, the food service management company should have an organized system for:

- Receiving orders for delivery adjustments.
- Documenting orders for delivery adjustments.
- Adjusting production levels, if necessary.
- Ensuring that adjusted meal orders for each site are correctly packaged and loaded for delivery.
- Ensuring that delivery receipts are changed to reflect new meal orders. This is a particularly important responsibility.

The food service management company's key personnel must be aware of these responsibilities. Meal deliveries may be adjusted only by the sponsor. The food service management company's delivery personnel must understand that site supervisors cannot independently request more or fewer meals. These requests must be channeled through the sponsor.

Attendance at sites will probably decrease during the summer, especially if there is no organized activity at a site other than the food service. The sponsor may be able to anticipate certain fluctuations in attendance (such as local events that may interfere with site participation), and make advance arrangements with the food service management company. For example, a consistent drop in attendance each Friday could be handled by reducing the number of meals delivered on that day only.



## Program Planning and Operation

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Whenever possible, meals can be transferred from a site with an excess to a site with a shortage. Monitors should be aware of the procedures for handling excess meals in order to assist site supervisors in making transfers or other arrangements.

During the summer, sites may cease food service operations on either a temporary or permanent basis. In addition, new sites may be authorized to participate in the program. The sponsor is responsible for informing the food service management company about these changes. Site deletions and additions may require changes in delivery routes and production levels. The food service management company must be aware of any need for these changes.

### Other Considerations

The food service management company must carefully plan delivery routes and schedules and should review them with the sponsor. At sites lacking adequate storage facilities, all meals must be delivered within 1 hour of the meal service. Delivery personnel for food service management companies should become familiar with their routes before the beginning of program operations to help avoid confusion when the program starts. The food service management company or the sponsor should periodically evaluate and restructure delivery routes if some sites receive consistently late deliveries. The food service management company has responsibility for ensuring that sufficient equipment is available to handle such changes (for example, additional trucks, refrigeration, etc.).

Sponsors must plan a system for meal service during inclement weather, or a system for canceling meal service at sites lacking sheltered facilities. The food service management company should be aware of these contingency plans.

Good communication is essential for smooth program operations. Even with good management and good intentions, complaints about the food service can arise. Food service management companies and sponsors should establish a system for communicating and resolving complaints. Experience indicates that problems can be most efficiently resolved when both the sponsor and the food service management company designate officials to receive and respond to suggestions and complaints.

Program regulations mandate minimum meal pattern requirements. These requirements are spelled out in part 225.10 of the regulations and should be included in the Invitation for Bid and Contract. The IFB and the contract should also contain food specifications and meal quality standards. Under the

## Program Planning and Operation

provisions of the contract between the sponsor and the food service management company, the sponsor is liable only for delivered meals which meet these requirements. Similarly, the sponsor may receive payments from the administering agency only for meals served which meet these requirements.

An effective quality control system is essential to verify that meal components meet the minimum quantity requirements. During food preparation, the food service management company should regularly inspect and measure items to ascertain correct sizes and weights. Setting production equipment for the desired specifications is no substitute for a quality control system, because equipment settings may become distorted during operation. Administering agencies and sponsors are responsible for sampling meals and disallowing payment for meals that fail to meet minimum standards. The entire meal may be disallowed for reimbursement if any part of the meal does not meet minimum standards.

### Statistical Monitoring

Statistical monitoring procedures may be used by the administering agency and the USDA's Office of the Inspector General as a management and monitoring tool. Since the results of a statistical monitoring procedure may be used to determine a sponsor's reimbursement, both sponsors and food service management companies should be informed about how the monitoring method operates.

If statistical sampling reveals an error on the part of the sponsor, the sponsor may not be reimbursed by the administering agency. In these cases, the sponsor still remains responsible for reimbursing the food service management company for meals which were delivered in accordance with the regulations and the contract. The administering agency will be able to furnish sponsors and food service management companies with additional information about statistical monitoring methods.

### Reimbursement

The food service management company should understand that the sponsor must pay for meals delivered by the food service management company in accordance with the contract. Administering agencies and USDA are not parties to such contracts. Federal reimbursement is based solely upon program performance and is paid to the sponsor. Therefore, the food service management company should make sure that it is informed of any sponsor disallowances made by the administering agency. Disallowances may affect payment to the company.

## Program Planning and Operation

As a practical matter, both the food service management company and the sponsor will want to avoid receiving disallowances from the administering agency during program reviews. The food service management company should designate an official to be familiar with the total program, particularly with the sponsor's responsibilities. For example, in addition to reading the program regulations and aids for the sponsor, the food service management company's representatives may want to attend training sessions arranged by sponsors for people involved in the food service.

Under this program a sponsor is reimbursed for meals that are properly served to eligible children. Therefore, if sponsors do not meet their responsibilities (such as ensuring that meals are consumed onsite only), meals may be disallowed. This may not result in a loss of payment to the food service management company. However, the sponsor may be unable to pay the food service management company if the administering agency does not reimburse him.

### Sponsor Disallowances

Violations that would cause disallowances in the sponsor's reimbursement from the administering agency (the sponsor is still responsible for paying the food service management company) are:

- \* Consistently serving an excessive number of meals as seconds or having an excessive number of meals left over.
- \* Allowing meals to be consumed offsite.
- \* Not serving meals as a unit.
- \* Serving meals to adults.
- \* Serving meals outside the approved time frames.

### Food Service Management Company Disallowances

Violations that would cause disallowances in the food service management company's reimbursement from the sponsor are:

- \* Delivering meals that are not unitized.
- \* Delivering meals that are wholly or partially spoiled.
- \* Delivering meals outside the designated delivery times.



## Assistance Provided by the Small Business Administration

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- \* Delivering meals either missing components or containing meal components that are less than the required size or weight.
- \* Changing menus or substituting components without the sponsor's approval.

### Default of Contract

The sponsor can terminate the food service management company for not complying with the terms of the contract. The sponsor will notify the food service management company (and surety company, if a performance bond is in effect) of specific instances of unsatisfactory performance. If the food service management company does not take immediate corrective action, the sponsor may request the surety company to provide another food service management company, or the sponsor may negotiate another contract on a competitive basis. In this case, to negotiate on a competitive basis, the sponsor should contact several food service management companies for prices and try to choose the most qualified company at the most economical price. The defaulting food service management company (or surety company, if applicable) is liable for any difference in price between the original price and the repurchase price.

### **Assistance Provided by the Small Business Administration**

### Use of Small and Minority Owned Businesses

Summer Food Service Program regulations allow administering agencies to encourage sponsors to use small and minority-owned businesses as sources of supplies and services. Under this program, sponsors contract with food service management companies to prepare and deliver meals. Some minority-owned food service management companies may be interested in participating in the program, but may need assistance to help them get established or expand their business. This section gives information on assistance that minority-owned food service management companies may receive from the Small Business Administration.

The Small Business Administration (SBA) is an independent Federal agency which provides prospective, new, and established members of the small business community with financial assistance, management training, and counseling. SBA's mission is to provide assistance to all small businesses. They help increase opportunities for minority people to start, strengthen, or expand successful businesses. SBA's policy is to afford minority and disadvantaged people the fullest opportunity to participate in the small business sector.

# Assistance Provided by the Small Business Administration

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Some areas in which the SBA may be able to help minority-owned food service management companies to improve or develop their businesses are as follows:

## Financial Assistance

Food service management companies who may need money and cannot borrow it on reasonable terms from conventional lenders may be able to get assistance from the SBA's loan programs. However, by law, the SBA may not make a loan if a business can obtain funds from a bank or other private source. The SBA may either participate with a bank or other lender in a loan, or guarantee up to 90 percent of a loan against loss. If the bank or other lender cannot provide funds using either of these methods, the law provides that the SBA can consider lending the entire amount as a direct governmental loan, if the funds are available. The SBA loans may be used to help food service management companies purchase equipment, facilities, and supplies.

## Surety Bonds

Under the Summer Food Service Program, food service management companies that submit bids over \$100,000 and that enter into a food service contract for over \$100,000 have to obtain bid and performance bonds. The SBA makes the bonding process accessible to small and emerging contractors which, for whatever reasons, find bonding unavailable to them. The SBA is authorized to guarantee to a qualified surety up to 90 percent of losses incurred under bids, payment, or performance bonds that are issued to contractors on contracts up to \$1 million. Food service management companies which anticipate that they will encounter problems in obtaining bid and performance bonds for the summer program may be interested in contacting the SBA for assistance.

## Procurement Assistance

The SBA has Federal procurement specialists in SBA offices throughout the country who can counsel minority-owned food service management companies on how to prepare bids and obtain contracts under the summer program.

## Management and Counseling Assistance

The Small Business Administration places special emphasis on improving the management ability of small business owners and managers. Accordingly, small business specialists may be able to assist minority-owned food service management companies with their management problems. They may also provide counseling on the problems or concerns food service management companies may have in meeting requirements for the summer program.

Minority-owned food service management companies should contact SBA's nearest field office for prompt assistance.

# Meal Requirements

Meal  
Patterns

## Meal Requirements

The goal of every Summer Food Service Program for Children should be to serve nutritionally adequate, wholesome, and appetizing meals to children. Careful planning is necessary to meet this goal. Meal requirements set for this program assure well-balanced, nutritious meals that supply the kinds and amounts of food children need to help meet their nutrient and energy needs. The following are minimum requirements for each meal:

### BREAKFAST

#### Milk

fluid milk 1 cup

#### Vegetables and Fruits

vegetables and/or fruits 1/2 cup  
 -or full-strength vegetable or fruit juice  
 -or an equivalent quantity of any combination  
 of vegetables, fruit, and juice

#### Bread and Bread Alternates

(whole grain or enriched):

bread 1 slice  
 -or cornbread, biscuits, rolls, muffins, etc. 1 serving  
 -or cooked pasta or noodle products 1/2 cup  
 -or cooked cereal grains, such as rice,  
 corn grits or bulgur 1/2 cup

(whole grain, enriched, or fortified):

-cold dry cereal 3/4 cup or  
 1 ounce  
 (whichever  
 is less)  
 -or cooked cereal 1/2 cup  
 -or an equivalent quantity of any  
 combination of bread or bread alternate

### SNACK (supplemental food)

(choose two of the following four components):

#### Milk

fluid milk 1 cup



# Meal Requirements

## Vegetables and Fruits

Vegetables and/or fruits	3/4 cup
-or full-strength vegetable or fruit juice	3/4 cup
-or an equivalent quantity of any combination of vegetables, fruits and juice (juices cannot be served with milk)	

## Bread and Bread Alternates

(Whole grain or enriched):	
bread	1 slice
-or cornbread, biscuits, rolls, muffins, etc.	1 serving
-or cooked pasta or noodle products	1/2 cup
-or cooked cereal grains, such as rice, corn grits or bulgur	1/2 cup
(whole grain, enriched or fortified):	
-cold dry cereal	3/4 cup or 1 ounce (whichever is less)
-or cooked cereal	1/2 cup
-or an equivalent quantity of any combination of bread or bread alternate	

## Meat and Meat Alternates

lean meat or poultry or fish	1 ounce (edible por- tion as served)
-or cheese	1 ounce
-or eggs	1 egg
-or cooked dry beans or peas	1/4 cup
-or peanut butter	2 tablespoons
-or any equivalent quantity of any combination of meat or meat alternate	

## LUNCH or SUPPER

### Milk

fluid milk	1 cup
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## Meal Requirements

### Vegetables and Fruits

(must include 2 or more selections  
for a total of 3/4 cup):

vegetables and/or fruits

-or full-strength vegetable or  
fruit juice

not to exceed  
1/4 cup

### Bread and Bread Alternates

(whole grain or enriched):

Bread

-or cornbread, biscuits, rolls, muffins, etc.

-or cooked pasta or noodle products

-or cooked cereal grains

-or an equivalent quantity of any  
combination of bread or bread alternate

1 slice  
1 serving  
1/2 cup  
1/2 cup

### Meat and Meat Alternates

lean meat or poultry or fish

-or cheese

-or eggs

-or cooked dry beans or peas

-or peanut butter

-or equivalent quantity of any  
combination of meat or meat alternate

2 ounces  
(edible por-  
tion as served)  
2 ounces  
1 egg  
1/2 cup  
4 tablespoons

